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COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, FEBRUARY 3, 2000

APPLICATION OF

VIRGINIA-AMERICAN WATER COMPANY

CASE NO. PUE990677

For a general increase in rates

ORDER FOR NOTICE AND HEARING

On December 23, 1999, Virginia-American Water Company ("Virginia-American" or "Company") completed an application for a general increase in rates for services. In its Application, the Company proposed that rates and charges become effective March 6, 2000. The proposed rates and charges initially would produce \$1,441,570 in additional annual operating revenues over the current rates and charges approved in the Company's last rate case on September 14, 1999, in Application of Virginia-American Water Company for a general increase in rates, Case No. PUE970523. The Company proposes that the additional annual operating revenues be allocated among the Company's three operating districts as follows:

\$675,019 increase for the Alexandria District  
\$549,359 increase for the Hopewell District  
\$217,192 increase for the Prince William District.

Additionally, Virginia-American requests a second increase of \$341,891 for the Hopewell District effective March 6, 2001. The two-step increase for the Hopewell District is designed for

the transition of several large industrial customers from potable to non-potable water where process needs and internal piping can support this change. The second step of the two-step increase is designed to allow the Company full recovery of new investment in facilities in Hopewell along with the increased operation and maintenance expenses.

As noted, the Company would have the proposed rates and charges take effect on March 6, 2000. The Company had filed an incomplete application on October 6, 1999. Subsequently, a jurisdictional cost of service study was filed, and other updates were made. A complete original application was refiled on December 23, 1999, and deemed complete. We admonish Virginia-American, and all other companies, to adhere scrupulously to our Rules Governing Utility Rate Increase Applications and Annual Informational Filings, 20 VAC 5-200-30, and to the specific findings and directions we issue in rate proceeding final orders so that delays between the date of filing and the date of acceptance may be eliminated. These delays are not in the public interest, and they can be avoided if companies thoroughly prepare applications and confer with the Commission Staff in advance of filing.

The Commission will docket the application and establish procedures for notice, investigation, and hearing. Further, the Commission will allow the proposed rates and charges to become

effective March 6, 2000, subject to refund, while the reasonableness of those rates and charges is investigated. Accordingly,

IT IS ORDERED THAT:

(1) This Application shall be docketed and assigned Case No. PUE990677, and all associated papers shall be filed therein.

(2) Virginia-American may put its proposed rates and charges in effect on and after March 6, 2000, subject to refund.

(3) As provided by § 12.1-31 of the Code of Virginia and Rule 7:1 of the Commission's Rules of Practice and Procedure ("Practice Rules"), 5 VAC 5-10-520, a Hearing Examiner shall be assigned to conduct further proceedings on behalf of the Commission and to file a final report with a transcript of this proceeding.

(4) A public hearing shall be held on this Application beginning at 2:00 p.m. on Monday, June 26, 2000, in the Board Chambers Room of the James J. McCoart Administration Building, 1 County Complex Court, Prince William, Virginia 22192. Any member of the public desiring to make a statement on the Application need only appear at the Board Chambers Room at 1:45 p.m. on the date of the hearing and identify himself or herself as a public witness to the Commission's bailiff.

(5) A public evidentiary hearing shall be held on this Application beginning at 10:00 a.m. on Wednesday, July 12, 2000,

in the Commission's Courtroom, Second Floor, Tyler Building, 1300 East Main Street, Richmond, Virginia. Any member of the public desiring to make a statement on the Application at that time need only appear in the Commission's courtroom at 9:45 a.m. on the date of the hearing and identify himself or herself as a public witness to the Commission's Bailiff.

(6) Any person may obtain copies of Virginia-American's Application and supporting testimony and exhibits by contacting the Company's counsel at the following address: Richard D. Gary, Esquire, and Gregory M. Romano, Esquire, Hunton & Williams, Riverfront Plaza, East Tower, 951 East Byrd Street, Richmond, Virginia 23219-4074.

(7) On or before 2:00 p.m. on March 3, 2000, the Company shall file with Clerk of the Commission an original and fifteen (15) copies of any additional direct testimony it intends to present at the public hearing, making a copy of the same available to the public as provided in paragraph (6) above.

(8) Any interested person wishing to comment on the application shall, on or before 2:00 p.m. on May 1, 2000, address such comments to: Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118. All comments shall refer to Case No. PUE990677.

(9) On or before 2:00 p.m. on May 1, 2000, all Notices of Protest, as required by Rule 5:16(a) of the Practice Rules, 5 VAC 5-10-420 B, shall be filed with Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118, and a copy simultaneously shall be served on counsel for Virginia-American, Richard D. Gary, Esquire, and Gregory M. Romano, Esquire, Hunton & Williams, Riverfront Plaza, East Tower, 951 East Byrd Street, Richmond, Virginia 23219-4074. A copy of the Notice of Protest also shall be served on every other Protestant on or before May 5, 2000.

(10) Within five days of receipt of a Notice of Protest, Virginia-American shall serve upon the filer a copy of this Order, its Application, supporting testimony and exhibits, unless copies of these materials already have been provided to that person.

(11) On or before 2:00 p.m. on May 25, 2000, each Protestant shall file with the Clerk an original and fifteen (15) copies of its Protest, as required by Rule 5:16(b) of the Practice Rules, 5 VAC 5-10-420 C, and an original and fifteen (15) copies of the testimony and exhibits that it intends to offer in support of its Protest. The Protestant shall serve one (1) copy of the Protest, testimony, and exhibits on counsel for

Virginia-American at the address noted above and on all other parties.

(12) The Commission Staff shall investigate the Application and, on or before 2:00 p.m. on June 13, 2000, shall file with the Clerk an original and fifteen (15) copies of the testimony and exhibits that it intends to offer and shall serve one (1) copy on all parties.

(13) On or before 2:00 p.m. on June 27, 2000, Virginia-American may file with the Clerk an original and fifteen (15) copies of any rebuttal testimony and exhibits that it intends to offer in response to testimony and exhibits previously filed and shall serve one (1) copy on all parties.

(14) Discovery shall be conducted in accordance with Part VI of the Practice Rules, 5 VAC 5-10-450 to -510, except that:

- (a) Answers and objections shall be served within ten (10) days after receipt of interrogatories; and
- (b) Special motions upon the validity of any objections raised by answers shall be filed within three (3) working days of receipt of the objection.

(15) On or before March 3, 2000, the Company shall complete publication of the following notice to be published as display advertising (not classified advertising) once a week for two consecutive weeks in newspapers of general circulation in the Alexandria District:

NOTICE TO THE PUBLIC OF AN APPLICATION  
FOR A GENERAL INCREASE IN RATES BY  
VIRGINIA-AMERICAN WATER COMPANY  
CASE NO. PUE990677

On December 23, 1999, Virginia-American Water Company ("Virginia-American" or "the Company") completed an application with the State Corporation Commission ("the Commission") for a general increase in rates and to revise its tariff. The Company's proposed tariff revisions are effective March 6, 2000, subject to refund with interest, pending a final determination by the Commission in this matter.

The proposed rates are designed to produce an overall increase of \$1,441,570, or 5.24% increase in total annual operating revenues. The Company proposes to allocate the annual increase to its operating districts as follows:

	Revenue	Percent
	<u>Increase</u>	<u>Increase</u>
Alexandria	\$675,019	5.21%
Hopewell	\$549,359	7.32%
Prince William	\$217,192	3.09%

Additionally, the Company requests a second increase of \$341,891 for the Hopewell District effective March 6, 2001. The two-step increase for the Hopewell District is designed for the transition of several large industrial customers from potable to non-potable water where possible and to allow full recovery of new investment in facilities along with the increased operation and maintenance expenses. It should be noted that an aggregate revenue requirement finally approved by the Commission may result in an allocation to the operating districts different from that proposed by the Company.

Virginia-American's proposed rates for the Alexandria District are as follows:

AVAILABILITY OF SERVICE:

Available to all metered customers other than customers purchasing water for resale.

RATE:

	<u>Gallons Per</u> <u>Month</u>	<u>Quarter</u>	<u>Rate Per</u> <u>1000 Gallons</u>
For the first	2,000	6,000	minimum charge
For all over	2,000	6,000	\$1.3653

MINIMUM CHARGE:

No bill will be rendered for less than the minimum charges set forth below:

<u>Size of Meter</u>	<u>Minimum Charge</u>	
	<u>Per Month</u>	<u>Per Quarter</u>
5/8 inch	\$8.28	\$24.84
3/4 inch	\$12.42	\$37.26
1 inch	\$20.70	\$62.10
1-1/2 inch	\$41.40	\$124.20
2 inch	\$66.24	\$198.72
3 inch	\$124.20	\$372.60
4 inch	\$207.00	\$621.00
6 inch	\$414.00	\$1,242.00
8 inch	\$662.40	\$1,987.20

SERVICE CONNECTION CHARGE:

3/4 inch Service Connection	\$900.00
Service Connections over	Actual cost to
3/4 inch	Company including
	overhead

All service connection charges will be grossed-up for federal income tax if any should occur. The customer shall pay to the Company the service connection charge prior to installation.

A multiple unit housing development owned by an individual, partnership or corporation other than a governmental authority where each and every unit in the development has at all times the same common owner, is located on a single site composed of one or more contiguous parcels; where the housing development owns, maintains and operates all lines of pipe for the distribution of water within the site; and where the housing development furnishes water to its tenants as

part of the considerations for the rent charged and does not install, maintain or operate water meters for the sub-metering of water service; where the housing development enters into a special contract with the Company, with such guarantee as may be satisfactory to the Company, to pay to the Company, a minimum of \$5,000 per month for water service to said premises; at the regularly established rates of the Company.

Meters, except those installed on private fire connections or sewer exempt meters will be furnished, installed and removed by the Company and shall remain its property.

When meters are installed for the purpose of allowing customers to use water and be exempt from sewer charges, the customer shall provide a meter and the installation at his expense; however, the meter location and type of meter must be approved by the Water Company.

Turn-on and shut-off charges during normal scheduled working hours will be \$25.00.

An additional charge of \$25.00 will be made for all returned checks tendered.

The Commission has scheduled a hearing to begin at 10:00 a.m. on Wednesday, July 12, 2000, in the Commission's Second Floor Courtroom in the Tyler Building, 1300 East Main Street, Richmond, Virginia, to receive public comment and evidence relevant to the proposed rate increase. A hearing also will be held on Monday, June 26, 2000, in the Board Chambers Room of the James J. McCoart Administration Building, 1 County Complex Court, Prince William, Virginia 22192 to receive public comment on the Application.

A copy of the Company's application and accompanying materials are available for public inspection Monday through Friday, 8:15 a.m. to 5:00 p.m. at the Commission's Clerk's Office, Document Control Center, First Floor, Tyler Building, 1300 East Main Street, Richmond, Virginia. On and after March 3, 2000, a copy of any supplementary direct testimony and exhibits

prefiled by the Company will be available for public inspection at the same location. A copy of the Company's application, accompanying materials, and supplementary direct testimony and exhibits also may be obtained by contacting Virginia-American's counsel at the following address: Richard D. Gary, Esquire, and Gregory M. Romano, Esquire, Hunton & Williams, Riverfront Plaza, East Tower, 951 East Byrd Street, Richmond, Virginia 23219-4074.

Any person desiring to comment in writing on the application may do so by May 1, 2000. Any such comment shall be directed to Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118, and shall refer to Case No. PUE990677. Any person desiring to make a statement at a public hearing, either for or against the application, need only appear in the designated location fifteen minutes prior to the scheduled hearing time and identify himself or herself as a public witness to the Commission's bailiff.

Any person who expects to present evidence, cross-examine witnesses, or otherwise participate in the proceedings as a Protestant, pursuant to Rule 4:6 of the Commission's Rules of Practice and Procedure, 5 VAC 5-10-180, should promptly obtain a copy of the Order for Notice and Hearing from the Clerk of the Commission for full details of the procedural schedule and instructions on participation. All service on the Company in this matter shall be directed to the Company's counsel as follows: Richard D. Gary, Esquire, and Gregory M. Romano, Esquire, Hunton & Williams, Riverfront Plaza, East Tower, 951 East Byrd Street, Richmond, Virginia 23219-4074, and to other Protestants.

All written communications to the Commission regarding this case shall be directed to Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond,

Virginia 23218-2118, and shall refer to Case No. PUE990677.

VIRGINIA-AMERICAN WATER COMPANY

(16) On or before March 3, 2000, the Company shall complete publication of the following notice to be published as display advertising (not classified advertising) once a week for two consecutive weeks in newspapers of general circulation in the Hopewell District:

NOTICE TO THE PUBLIC OF AN APPLICATION  
FOR A GENERAL INCREASE IN RATES BY  
VIRGINIA-AMERICAN WATER COMPANY  
CASE NO. PUE990677

On December 23, 1999, Virginia-American Water Company ("Virginia-American" or "the Company") completed an application with the State Corporation Commission ("the Commission") for a general increase in rates and to revise its tariff. The Company's proposed tariff revisions are effective March 6, 2000, subject to refund with interest, pending a final determination by the Commission in this matter.

The proposed rates are designed to produce an overall increase of \$1,441,570, or 5.24% increase in total annual operating revenues. The Company proposes to allocate the annual increase to its operating districts as follows:

	Revenue <u>Increase</u>	Percent <u>Increase</u>
Alexandria	\$675,019	5.21%
Hopewell	\$549,359	7.32%
Prince William	\$217,192	3.09%

Additionally, the Company requests a second increase of \$341,891 for the Hopewell District effective March 6, 2001. The two-step increase for the Hopewell District is designed for the transition of several large industrial customers from potable to non-potable water where possible

and to allow full recovery of new investment in facilities along with the increased operation and maintenance expenses. It should be noted that an aggregate revenue requirement finally approved by the Commission may result in an allocation to the operating districts different from that proposed by the Company.

Virginia-American's proposed rates for the Hopewell District are as follows:

STEP 1 - PROPOSED TO BECOME EFFECTIVE MARCH 6, 2000

SCHEDULE NO. 1 (POTABLE)

AVAILABILITY OF SERVICE:

Available to all metered service for water treated with fluoride and carbon as required, except for customers purchasing water for resale.

METER QUANTITY CHARGE:

Where water is supplied by meter measurement, each customer shall be required to pay, and the Company shall collect for all water so supplied at the regular published schedule of rates, herein set forth, subject to the meter minimum charges herein stated.

RATE:

	<u>Cubic Feet</u> <u>Month</u>	<u>Quarter</u>	<u>Rate Per</u> <u>100 Cubic Feet</u>
For the first	300	900	minimum charge
For the next	1,700	5,100	\$2.7984
For the next	48,000	144,000	\$2.2500
For the next	950,000	2,850,000	\$2.0900
For the next	4,000,000	12,000,000	\$0.5600
For all over	5,000,000	15,000,000	\$0.5150

SCHEDULE NO. 2 (NON-POTABLE)

AVAILABILITY OF SERVICE:

Available for all metered customers for water not treated with fluoride and carbon, except for customers purchasing water for resale.

RATE:

	<u>Cubic Feet</u> <u>Month</u>	<u>Rate Per 100</u> <u>Cubic Feet</u> <u>for Allied</u>	<u>Rate Per 100</u> <u>Cubic Feet</u> <u>for Stone</u>
First	3,000,000	\$2.2000	\$0.6900
Next	3,000,000	\$1.2900	\$0.5900
Next	3,000,000	\$0.5900	\$0.5330
All over	9,000,000	\$0.2625	\$0.2625

	<u>Cubic Feet</u> <u>Month</u>	<u>Rate Per 100</u> <u>Cubic Feet for all others</u>
First	500,000	\$2.1500
Next	500,000	\$1.2500
Next	500,000	\$0.8000
Next	1,500,000	\$0.4500
Next	2,000,000	\$0.4400
All over	5,000,000	\$0.4300

METER MINIMUM CHARGE (POTABLE):  
(Applicable to Schedule No. 1)

	<u>Minimum Charge</u>	
	<u>Per Month</u>	<u>Per Quarter</u>
5/8 inch	\$10.32	\$30.96
3/4 inch	\$15.48	\$46.44
1 inch	\$25.80	\$77.40
1-1/2 inch	\$51.60	\$154.80
2 inch	\$82.56	\$247.68
3 inch	\$154.80	\$464.40
4 inch	\$258.00	\$774.00
6 inch	\$516.00	\$1,548.00
8 inch	\$825.60	\$2,476.80
10 inch	\$1,186.80	\$3,560.40
12 inch	\$2,218.80	\$6,656.40

STEP 2 - PROPOSED TO BECOME EFFECTIVE MARCH 6,  
2001

SCHEDULE NO. 1 (POTABLE)

AVAILABILITY OF SERVICE:

Available to all metered service for water treated with fluoride and carbon as required, except for customers purchasing water for resale.

METER QUANTITY CHARGE:

Where water is supplied by meter measurement, each customer shall be required to pay, and the Company shall collect for all water so supplied at the regular published schedule of rates, herein set forth, subject to the meter minimum charges herein stated.

RATE:

<u>Feet</u>	<u>Cubic Feet</u>		<u>Rate Per</u>
	<u>Month</u>	<u>Quarter</u>	<u>100 Cubic</u>
For the first	300	900	minimum charge
For the next	1,700	5,100	\$2.8577
For the next	48,000	144,000	\$2.3250
For the next	950,000	2,850,000	\$2.2050
For the next	4,000,000	12,000,000	\$0.6650
For all over	5,000,000	15,000,000	\$0.6000

SCHEDULE NO. 2 (NON-POTABLE)

AVAILABILITY OF SERVICE:

Available for all metered customers for water not treated with fluoride and carbon, except for customers purchasing water for resale.

RATE:

	<u>Cubic Feet</u>	<u>Rate Per 100</u>	<u>Rate Per 100</u>
	<u>Month</u>	<u>Cubic Feet</u>	<u>Cubic Feet</u>
		<u>for Allied</u>	<u>for Stone</u>
First	3,000,000	\$2.2400	\$0.7100
Next	3,000,000	\$1.3000	\$0.6000
Next	3,000,000	\$0.6000	\$0.5465
All over	9,000,000	\$0.2625	\$0.2625

	<u>Cubic Feet</u>	<u>Rate Per 100</u>
	<u>Month</u>	<u>Cubic Feet for all others</u>
First	500,000	\$2.2360
Next	500,000	\$1.3000
Next	500,000	\$0.8320
Next	1,500,000	\$0.4680
Next	2,000,000	\$0.4576
All over	5,000,000	\$0.4472

METER MINIMUM CHARGE (POTABLE):  
(Applicable to Schedule No. 1)

	<u>Minimum Charge</u>	
	<u>Per Month</u>	<u>Per Quarter</u>
5/8 inch	\$10.69	\$32.07
3/4 inch	\$16.04	\$48.11
1 inch	\$26.73	\$80.18
1-1/2 inch	\$53.45	\$160.35
2 inch	\$85.52	\$256.56
3 inch	\$160.35	\$481.05
4 inch	\$267.25	\$801.75
6 inch	\$534.50	\$1,603.50
8 inch	\$855.20	\$2,565.60
10 inch	\$1,229.35	\$3,688.05
12 inch	\$2,298.35	\$6,895.05

SERVICE CONNECTION CHARGE:

3/4 inch Service Connection	\$560.00
Service Connections	Actual cost to
over 3/4 inch	Company including
	overhead

All service connection charges will be grossed-up for federal income tax if any should occur. The customer shall pay to the Company the service connection charge prior to installation.

Turn-on and shut-off charges during normal scheduled working hours will be \$25.00. An additional charge of \$25.00 will be made for all returned checks tendered.

The Commission has scheduled a hearing to begin at 10:00 a.m. on Wednesday, July 12, 2000, in the Commission's Second Floor Courtroom in the Tyler Building, 1300 East Main Street, Richmond, Virginia, to receive evidence relevant to the proposed rate increase.

A copy of the Company's application and accompanying materials are available for public inspection Monday through Friday, 8:15 a.m. to 5:00 p.m. at the Commission's Clerk's Office, Document Control Center, First Floor, Tyler Building, 1300 East Main Street, Richmond,

Virginia. On and after March 3, 2000, a copy of any supplementary direct testimony and exhibits prefiled by the Company will be available for public inspection at the same location. A copy of the Company's application, accompanying materials, and supplementary direct testimony and exhibits also may be obtained by contacting Virginia-American's counsel at the following address: Richard D. Gary, Esquire, and Gregory M. Romano, Esquire, Hunton & Williams, Riverfront Plaza, East Tower, 951 East Byrd Street, Richmond, Virginia 23219-4074.

Any person desiring to comment in writing on the application may do so by May 1, 2000. Any such comment shall be directed to Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118, and shall refer to Case No. PUE990677. Any person desiring to make a statement at the public hearing, either for or against the application, need only appear in the Commission's courtroom at 9:45 a.m. on the day of the hearing and identify himself or herself as a public witness to the Commission's bailiff.

Any person who expects to present evidence, cross-examine witnesses, or otherwise participate in the proceedings as a Protestant, pursuant to Rule 4:6 of the Commission's Rules of Practice and Procedure, 5 VAC 5-10-180, should promptly obtain a copy of the Order for Notice and Hearing from the Clerk of the Commission for full details of the procedural schedule and instructions on participation. All service on the Company in this matter shall be directed to the Company's counsel as follows: Richard D. Gary, Esquire, and Gregory M. Romano, Esquire, Hunton & Williams, Riverfront Plaza, East Tower, 951 East Byrd Street, Richmond, Virginia 23219-4074, and to other Protestants.

All written communications to the Commission regarding this case shall be directed to Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond,

Virginia 23218-2118, and shall refer to Case No. PUE990677.

VIRGINIA-AMERICAN WATER COMPANY

(17) On or before March 3, 2000, the Company shall complete publication of the following notice to be published as display advertising (not classified advertising) once a week for two consecutive weeks in newspapers of general circulation in the Prince William District:

NOTICE TO THE PUBLIC OF AN APPLICATION  
FOR A GENERAL INCREASE IN RATES BY  
VIRGINIA-AMERICAN WATER COMPANY  
CASE NO. PUE990677

On December 23, 1999, Virginia-American Water Company ("Virginia-American" or "the Company") completed an application with the State Corporation Commission ("the Commission") for a general increase in rates and to revise its tariff. The Company's proposed tariff revisions are effective March 6, 2000, subject to refund with interest, pending a final determination by the Commission in this matter.

The proposed rates are designed to produce an overall increase of \$1,441,570, or 5.24% increase in total annual operating revenues. The Company proposes to allocate the annual increase to its operating districts as follows:

	Revenue <u>Increase</u>	Percent <u>Increase</u>
Alexandria	\$675,019	5.21%
Hopewell	\$549,359	7.32%
Prince William	\$217,192	3.09%

Additionally, the Company requests a second increase of \$341,891 for the Hopewell District effective March 6, 2001. The two-step increase for the Hopewell District is designed for the transition of several large industrial customers from potable to non-potable water where possible

and to allow full recovery of new investment in facilities along with the increased operation and maintenance expenses. It should be noted that an aggregate revenue requirement finally approved by the Commission may result in an allocation to the operating districts different from that proposed by the Company.

Virginia-American's proposed rates for the Prince William District are as follows:

AVAILABILITY OF SERVICE:

Available to all metered customers other than customers purchasing water for resale.

RATE:

	Gallons Per <u>Month</u>	Per <u>Quarter</u>	Rate Per <u>1000 Gallons</u>
For the first	2,000	6,000	minimum charge
For all over	2,000	6,000	\$3.4318

MINIMUM CHARGE:

No bill will be rendered for less than the minimum charges set forth below:

<u>Size of Meter</u>	<u>Minimum Charge</u>	
	<u>Per Month</u>	<u>Per Quarter</u>
5/8 inch	\$8.04	\$24.12
3/4 inch	\$12.06	\$36.18
1 inch	\$20.10	\$60.30
1-1/2 inch	\$40.20	\$120.60
2 inch	\$64.32	\$192.96
3 inch	\$120.60	\$361.80
4 inch	\$201.00	\$603.00
6 inch	\$402.00	\$1,206.00
8 inch	\$643.20	\$1,929.60

SERVICE CONNECTION CHARGE:

3/4 inch Service Connection	\$675.00
Service Connections	Actual cost to
over 3/4 inch	Company including
	overhead

All service connection charges will be grossed-up for federal income tax if any should occur. The customer shall pay to the Company the service connection charge prior to installation.

Turn-on and shut-off charges during normal scheduled working hours will be \$25.00. An additional charge of \$25.00 will be made for all returned checks tendered.

The Commission has scheduled a hearing to begin at 10:00 a.m. on Wednesday, July 12, 2000, in the Commission's Second Floor Courtroom in the Tyler Building, 1300 East Main Street, Richmond, Virginia, to receive public comment and evidence relevant to the proposed rate increase. A hearing also will be held on Monday, June 26, 2000, in the Board Chambers Room of the James J. McCoart Administration Building, 1 County Complex Court, Prince William, Virginia 22192 to receive public comment on the Application.

A copy of the Company's application and accompanying materials are available for public inspection Monday through Friday, 8:15 a.m. to 5:00 p.m. at the Commission's Clerk's Office, Document Control Center, First Floor, Tyler Building, 1300 East Main Street, Richmond, Virginia. On and after March 3, 2000, a copy of any supplementary direct testimony and exhibits prefiled by the Company will be available for public inspection at the same location. A copy of the Company's application, accompanying materials, and supplementary direct testimony and exhibits also may be obtained by contacting Virginia-American's counsel at the following address: Richard D. Gary, Esquire, and Gregory M. Romano, Esquire, Hunton & Williams, Riverfront Plaza, East Tower, 951 East Byrd Street, Richmond, Virginia 23219-4074.

Any person desiring to comment in writing on the application may do so by May 1, 2000. Any such comment shall be directed to Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118, and shall refer to Case No. PUE990677. Any person desiring to make a

statement at a public hearing, either for or against the application, need only appear in the designated location fifteen minutes prior to the scheduled hearing time and identify himself or herself as a public witness to the Commission's bailiff.

Any person who expects to present evidence, cross-examine witnesses, or otherwise participate in the proceedings as a Protestant, pursuant to Rule 4:6 of the Commission's Rules of Practice and Procedure, 5 VAC 5-10-180, should promptly obtain a copy of the Order for Notice and Hearing from the Clerk of the Commission for full details of the procedural schedule and instructions on participation. All service on the Company in this matter shall be directed to the Company's counsel as follows: Richard D. Gary, Esquire, and Gregory M. Romano, Esquire, Hunton & Williams, Riverfront Plaza, East Tower, 951 East Byrd Street, Richmond, Virginia 23219-4074, and to other Protestants.

All written communications to the Commission regarding this case shall be directed to Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118, and shall refer to Case No. PUE990677.

#### VIRGINIA-AMERICAN WATER COMPANY

(18) The Company forthwith shall serve a copy of this Order on the Chairman of the Board of Supervisors of each county in which the Company offers service, and/or the Mayor or Manager of every city and town (or equivalent officials in counties, cities, and towns having alternate forms of government) in which the Company offers service. Service shall be made by first class mail or delivery to the customary place of business or to the residence of the person served.

(19) At the commencement of the hearing scheduled herein, the Company shall provide the Commission with proof of notice as required by paragraphs (15), (16), (17), and (18) above.